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**FISCAL IMPACT STATEMENT**

**LS 6890**

**BILL NUMBER:** HB 1404

**NOTE PREPARED:** Jan 23, 2015

**BILL AMENDED:**

**SUBJECT:** Traffic Violations.

**FIRST AUTHOR:** Rep. Soliday

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill has the following provisions:

- (1) Provides that certain entities may enter into agreements to use recorded images to enforce certain traffic violations.
- (2) Imposes civil penalties for traffic violations enforced by camera enforcement.
- (3) Provides that an enforcement agreement must provide for distribution of civil penalties among the parties to the agreement, and to various funds.
- (4) Amends the definition of "highway work zone" and renames the term as "work zone".
- (5) Repeals the definition of "worksite".
- (6) Removes the requirement that workers be present in a work zone for certain work zone offenses to be enforceable.
- (7) Provides that a person who uses a telecommunications device while operating a motor vehicle in a work zone commits a Class A misdemeanor.

**Effective Date:** July 1, 2015.

**Explanation of State Expenditures:** This bill could increase the workload and/or expenditures of the Indiana Department of Transportation (INDOT) and the Indiana Finance Authority to the extent they elect to utilize automated traffic enforcement devices in work zones, which could be minimized if a vendor is used for administering the program.

**Explanation of State Revenues:** *Summary:* This bill could increase Spinal Cord and Brain Injury Fund revenue received from penalties assessed against individuals who are caught speeding in work zones or

illegally passing a school bus by automated traffic enforcement devices. Increases in revenue from work zone enforcement devices are estimated to be a minimum of \$360,000 per year, whereas revenue received from school bus camera enforcement devices will depend on the number of school buses outfitted with enforcement camera technology (an estimated \$5,625 in revenue per camera).

Additionally, the bill could increase revenue to the Common School Fund (and decrease revenue to the General Fund) by making texting while driving offenses that occur in a work zone punishable as a Class A misdemeanor rather than as a Class C infraction.

*Additional Information:*

*Automated Traffic Enforcement Devices:* The following table shows how many citations were issued in FY 2014 where the recipient pled guilty for one of the following violations.

<b>Violation</b>	<b>FY 2014 Guilty Verdicts Issued</b>
Speeding	108,270
Speeding in a Work Zone	2,138
Illegally Passing a School Bus	406
Texting While Driving	307
Total	111,121

The number of speeding citations issued for violations in school zones is not known.

Currently, the penalty for violating traffic control laws is a Class C infraction with a maximum judgment of \$500. Additionally, the penalty for illegally passing a school bus is a Class A infraction with a maximum judgment of \$10,000. Revenue collected from Class C and Class A infractions are deposited in the state General Fund.

The bill establishes the following civil penalties for violations captured by automatic traffic enforcement devices:

- (1) \$300 for a first offense in a 5-year period,
- (2) \$750 for a second offense in a 5-year period, and
- (3) \$1,000 for a third offense in a 5-year period.

A maximum of 25% of revenue collected from violations would be used to finance the costs of any enforcement agreement created as the result of the bill. The remaining 75% in penalty revenue would be distributed as follows; (1) for violations that occur in a work zone, 100% to the Spinal Cord and Brain Injury Fund, and (2) for school bus violations, 50% to the Spinal Cord and Brain Injury Fund and 50% to the school corporation. Individuals who are caught by automatic traffic enforcement devices are only subject to the civil penalties outlined in the bill.

To the extent automated traffic enforcement devices and school bus cameras increase the number of convictions for traffic violations and illegally passing a school bus in the state, Spinal Cord and Brain Injury

Fund revenue will increase. To the extent these devices catch offenders who otherwise would have been caught by a member of law enforcement (where the General Fund received 100% of revenue collected from fines), state revenue could decrease. However, it is expected this bill will have the overall effect of increasing enforcement actions and penalty revenue in the state.

Based on information obtained from the state of Washington, for every automated traffic enforcement area established in a work zone, an estimated 1,600 paid citations could be expected. Assuming the minimum fine amount of \$300, revenue to the Spinal Cord and Brain Injury Fund could increase by \$360,000 per year per work zone enforcement area. The remaining \$120,000 would be maximum amount used to finance the costs of the enforcement agreement.

A single school bus camera can be expected to lead to approximately 50 citations for illegally passing a school bus per school year. Given the civil penalty structure in the bill, for every school bus camera installed as the result of this bill, \$15,000 in civil penalty revenue could be generated per school year. Based on the distribution breakdown in the bill, a maximum of \$3,750 would be used to finance the costs of the enforcement agreement. The local school corporation and the Spinal Cord and Brain Injury Fund could each receive an additional \$5,625 in annual revenue per school year per bus camera.

*Texting While Driving in a Work Zone:* There is currently no penalty enhancement if an individual is caught texting while driving in a work zone. The offense is currently punishable as a Class C infraction, but under the bill individuals could be subject to a Class A misdemeanor.

This bill potentially increases revenue to the Common School Fund, but could reduce revenue that is deposited in the state General Fund. However, any change in revenue is likely to be small. Currently, the maximum judgment for a Class C infraction is \$500, which is deposited into the state General Fund, while the maximum fine for a Class A misdemeanor is \$5,000, which is deposited into the Common School Fund. The state General Fund may receive additional court fee revenue. However, the amount is likely to be small.

**Explanation of Local Expenditures:** The bill specifies that local law enforcement shall enforce traffic violations discovered by automated traffic control devices and thus would increase workload of law enforcement.

*Texting While Driving in a Work Zone:* Local expenditures could increase if offenders are incarcerated in local jails instead of being only fined. However, any cost increase is likely to be small. A Class A misdemeanor is punishable by up to one year in jail.

**Explanation of Local Revenues:** *Summary:* This bill could increase local revenue received from penalties assessed against individuals who are caught speeding in work zones and illegally passing a school bus by automated traffic enforcement devices. Based on the revenue distribution breakdown in the bill, local school corporations could receive \$9,375 in annual revenue per school year per bus camera, of which a maximum of \$3,750 would be used to finance the costs of the enforcement agreement. Total local revenue increases will depend on how many buses are outfitted with enforcement camera technology.

Additionally, local governments could receive additional revenues from any court fees that are collected for cases that were infractions and are now misdemeanors. Increases in revenue are unknown.

Currently, local government units do not receive revenue from moving violation penalties (except for court costs paid by violators who request court hearings).

The bill also specifies that individuals who are found to have illegally passed a school bus under an enforcement agreement are not subject to additional court costs, but a court is allowed to deduct costs from the prescribed civil penalties. To the extent enforcement for illegally passing school busses increases in the state and a court deducts costs from civil penalties, courts could receive additional revenue.

**State Agencies Affected:** INDOT; Indiana Finance Authority.

**Local Agencies Affected:** All.

**Information Sources:** Mark Goodrich, BMV; 2014 School Bus Safety Program Evaluation from Montgomery County (Maryland) Council; Washington Department of Transportation.

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